

LEGISLATURE OF NEBRASKA
ONE HUNDRED SIXTH LEGISLATURE
FIRST SESSION

LEGISLATIVE BILL 78

Introduced by Williams, 36.

Read first time January 10, 2019

Committee: Banking, Commerce and Insurance

1 A BILL FOR AN ACT relating to limited liability companies; to amend
2 section 21-147, Reissue Revised Statutes of Nebraska, sections
3 21-192, 21-507, 21-509, 21-510, 21-513, 21-514, 21-517, 21-520,
4 21-521, 21-522, 21-523, 21-525, 21-526, 21-528, 21-529, 21-532,
5 21-534, 21-537, and 21-539, Revised Statutes Cumulative Supplement,
6 2018; to provide changes and corrections to the Nebraska Uniform
7 Protected Series Act; to change filing fees and dissolution
8 provisions under the Nebraska Uniform Limited Liability Company Act;
9 to harmonize provisions; to provide an operative date; to repeal the
10 original sections; and to outright repeal section 21-541, Revised
11 Statutes Cumulative Supplement, 2018.
12 Be it enacted by the people of the State of Nebraska,

1 Section 1. Section 21-147, Reissue Revised Statutes of Nebraska, is
2 amended to read:

3 21-147 (RULLCA 701) (a) A limited liability company is dissolved,
4 and its activities must be wound up, upon the occurrence of any of the
5 following:

6 (1) an event or circumstance that the operating agreement states
7 causes dissolution;

8 (2) the consent of all the members;

9 (3) the passage of ninety consecutive days during which the company
10 has no members;

11 (4) on application by a member, the entry by the district court of
12 an order dissolving the company on the grounds that:

13 (A) the conduct of all or substantially all of the company's
14 activities is unlawful; or

15 (B) it is not reasonably practicable to carry on the company's
16 activities in conformity with the certificate of organization and the
17 operating agreement; or

18 (5) on application by a member, the entry by the district court of
19 an order dissolving the company on the grounds that the managers or those
20 members in control of the company:

21 (A) have acted, are acting, or will act in a manner that is illegal
22 or fraudulent; or

23 (B) have acted or are acting in a manner that is oppressive and was,
24 is, or will be directly harmful to the applicant.

25 (b) In a proceeding brought under subdivision (a)(5) of this
26 section, the court may order a remedy other than dissolution.

27 (c) A limited liability company may rescind its dissolution, unless
28 a statement of termination applicable to the company has become
29 effective, the district court has entered an order under subdivision (a)
30 (4) of this section dissolving the company, or the Secretary of State has
31 administratively dissolved the company under section 21-151.

1 (d) Rescinding dissolution under this section requires:

2 (1) the consent of all the members; and

3 (2) if the limited liability company has delivered to the Secretary
4 of State for filing a statement of dissolution under section 21-148 and:

5 (A) the statement has not become effective, delivery to the
6 Secretary of State for filing of a statement of withdrawal under section
7 21-121 applicable to the statement of dissolution; or

8 (B) if the statement of dissolution has become effective, delivery
9 to the Secretary of State for filing of a statement of rescission stating
10 the name of the company and that dissolution has been rescinded under
11 this section.

12 (e) If a limited liability company rescinds its dissolution:

13 (1) the company resumes carrying on its activities and affairs as if
14 dissolution had never occurred;

15 (2) subject to subdivision (e)(3) of this section, any liability
16 incurred by the company after the dissolution and before the rescission
17 has become effective is determined as if dissolution had never occurred;
18 and

19 (3) the rights of a third party arising out of conduct in reliance
20 on the dissolution before the third party knew or had notice of the
21 rescission may not be adversely affected.

22 Sec. 2. Section 21-192, Revised Statutes Cumulative Supplement,
23 2018, is amended to read:

24 21-192 (1) The filing fee for all filings under the Nebraska Uniform
25 Limited Liability Company Act, including amendments and name reservation,
26 shall be ten dollars plus the recording fees set forth in subdivision (4)
27 of section 33-101, except that the filing fee for filing a certificate of
28 organization under section 21-117 and for filing an application for a
29 certificate of authority to transact business in this state as a foreign
30 limited liability company under section 21-156 shall be one hundred
31 dollars plus such recording fees and ten dollars for a certificate, and

1 except that the filing fee for filing a protected-series designation
2 under section 21-509 shall be one hundred dollars for each protected
3 series stated plus such recording fees and ten dollars for a certificate
4 and the filing fee for an application for a certificate of authority to
5 do business in this state as a foreign protected series under section
6 21-537 shall be one hundred dollars plus such recording fees and ten
7 dollars for a certificate.

8 (2) The filing fee for filing a statement of change of address for
9 an agent for service of process under section 21-114 shall be ten dollars
10 for each limited liability company or foreign limited liability company
11 for which the agent is designated plus the recording fees set forth in
12 subdivision (4) of section 33-101.

13 (3) The filing fee for filing a statement of designation change
14 under section 21-510 shall be ten dollars for each of the series limited
15 liability company's protected series plus the recording fees set forth in
16 subdivision (4) of section 33-101.

17 (4) The filing fee for the filing of a biennial report under section
18 21-514 shall be ten dollars for the series limited liability company and
19 ten dollars for each of the series limited liability company's protected
20 series.

21 (5) There shall be no recording fee collected for the filing of a
22 biennial report required by section 21-125 or any corrections or
23 amendments thereto.

24 (6) ~~(2)~~ The fee for an application for reinstatement more than five
25 years after the effective date of an administrative dissolution shall be
26 five hundred dollars.

27 (7) ~~(3)~~ A fee of one dollar per page plus ten dollars per
28 certificate shall be paid for a certified copy of any document on file
29 under the act.

30 (8) ~~(4)~~ The fees for filings under the act shall be paid to the
31 Secretary of State and remitted by him or her to the State Treasurer. The

1 State Treasurer shall credit two-thirds of the fees to the General Fund
2 and one-third of the fees to the Corporation Cash Fund.

3 Sec. 3. Section 21-507, Revised Statutes Cumulative Supplement,
4 2018, is amended to read:

5 21-507 (a) An operating agreement may not vary the effect of:

6 (1) this section;

7 (2) section 21-503;

8 (3) subsection (a) of section 21-504;

9 (4) subsection (b) of section 21-504 to provide a protected series a
10 power beyond the powers the Nebraska Uniform Limited Liability Company
11 Act provides a limited liability company;

12 (5) subsection (c) or (d) of section 21-504;

13 (6) section 21-505;

14 (7) section 21-506;

15 (8) section 21-508;

16 (9) section 21-509, except to vary the manner in which a limited
17 liability company approves establishing a protected series;

18 (10) section 21-510;

19 (11) section 21-515;

20 (12) section 21-516;

21 (13) subsection (a) or (b) of section 21-517;

22 (14) subsection (c) or (f) of section 21-518;

23 (15) section 21-520, except to decrease or eliminate a limitation of
24 liability stated in section 21-520;

25 (16) section 21-521;

26 (17) section 21-522;

27 (18) section 21-523;

28 (19) subdivisions (1), (4), and (5) of section 21-524;

29 (20) section 21-525, except to designate a different person to
30 manage winding up;

31 (21) section 21-526;

1 (22) sections 21-527 to 21-534;

2 (23) sections 21-535 to 21-538;

3 (24) section 21-542; or ~~sections 21-541 to 21-542, except to vary:~~

4 ~~(A) the manner in which a series limited liability company may elect~~
5 ~~under subdivision (a)(2) of section 21-541 to be subject to the Nebraska~~
6 ~~Uniform Protected Series Act; or~~

7 ~~(B) the person that has the right to sign and deliver to the~~
8 ~~Secretary of State for filing a record under subdivision (b)(2) of~~
9 ~~section 21-541; or~~

10 (25) a provision of the Nebraska Uniform Protected Series Act
11 pertaining to:

12 (A) registered agents; or

13 (B) the Secretary of State, including provisions pertaining to
14 records authorized or required to be delivered to the Secretary of State
15 for filing under the act.

16 (b) An operating agreement may not unreasonably restrict the duties
17 and rights under section 21-519 ~~21-521~~ but may impose reasonable
18 restrictions on the availability and use of information obtained under
19 section 21-519 and may provide appropriate remedies, including liquidated
20 damages, for a breach of any reasonable restriction on use.

21 Sec. 4. Section 21-509, Revised Statutes Cumulative Supplement,
22 2018, is amended to read:

23 21-509 (a) With the affirmative vote or consent of all members of a
24 limited liability company, the company may establish a protected series.

25 (b) To establish one or more a protected series, a limited liability
26 company shall deliver to the Secretary of State for filing a protected-
27 series designation, signed by the company, stating the name of the
28 company and the name or names of the protected series to be established.

29 (c) A protected series is established when the protected-series
30 designation takes effect under section 21-121.

31 (d) To amend a protected-series designation, a series limited

1 liability company shall deliver to the Secretary of State for filing a
2 statement of designation change, signed by the company, that changes the
3 name of the company, the name or names of the protected series to which
4 the designation applies, or both. The change takes effect when the
5 statement of designation change takes effect under section 21-121.

6 Sec. 5. Section 21-510, Revised Statutes Cumulative Supplement,
7 2018, is amended to read:

8 21-510 (a) Except as otherwise provided in subsection (b) of this
9 section, the name of a protected series must be distinguishable in the
10 records of the Secretary of State from: ~~comply with section 21-108.~~

11 (1) the name of each person that is not an individual and that is
12 incorporated, organized, or authorized to transact business in this
13 state; and

14 (2) each name reserved under section 21-109 or other state laws
15 allowing the reservation or registration of business names, including
16 fictitious or assumed name statutes.

17 (b) The name of a protected series of a series limited liability
18 company must:

19 (1) begin with the name of the company, including any word or
20 abbreviation required by section 21-108; and

21 (2) contain the phrase Protected Series or protected series or the
22 abbreviation P.S. or PS.

23 (c) If a series limited liability company changes its name, the
24 company shall deliver to the Secretary of State for filing a statement of
25 designation change for ~~each~~ of the company's protected series, changing
26 the name of each protected series to comply with this section.

27 Sec. 6. Section 21-513, Revised Statutes Cumulative Supplement,
28 2018, is amended to read:

29 21-513 (a) On request of any person, the Secretary of State shall
30 issue a certificate of existence ~~good standing~~ for a protected series of
31 a series limited liability company or a certificate of authority

1 ~~registration~~ for a foreign protected series if:

2 (1) in the case of a protected series:

3 (A) no statement of dissolution, termination, or relocation
4 pertaining to the protected series has been filed; and

5 (B) the company has delivered to the Secretary of State for filing
6 the most recent biennial report required by section 21-125 and the report
7 includes the name of the protected series, unless:

8 (i) when the company delivered the report for filing, the protected
9 series designation pertaining to the protected series had not yet taken
10 effect; or

11 (ii) after the company delivered the report for filing, the company
12 delivered to the Secretary of State for filing a statement of designation
13 change changing the name of the protected series; or

14 (2) in the case of a foreign protected series, it is authorized
15 ~~registered~~ to do business in this state.

16 (b) A certificate issued under subsection (a) of this section must
17 state:

18 (1) in the case of a protected series:

19 (A) the name of the protected series of the series limited liability
20 company and the name of the company;

21 (B) that the requirements of subsection (a) of this section are met;

22 (C) the date the protected-series designation pertaining to the
23 protected series took effect; and

24 (D) if a statement of designation change pertaining to the protected
25 series has been filed, the effective date and contents of the statement;

26 (2) in the case of a foreign protected series, that it is authorized
27 ~~registered~~ to do business in this state;

28 (3) that the fees, taxes, interest, and penalties owed to this state
29 by the protected series or foreign protected series and collected through
30 the Secretary of State have been paid, if:

31 (A) payment is reflected in the records of the Secretary of State;

1 and

2 (B) nonpayment affects the good standing of the protected series;

3 and

4 (4) other facts reflected in the records of the Secretary of State
5 pertaining to the protected series or foreign protected series which the
6 person requesting the certificate reasonably requests.

7 (c) Subject to any qualification stated by the Secretary of State in
8 a certificate issued under subsection (a) of this section, the
9 certificate may be relied on as conclusive evidence of the facts stated
10 in the certificate.

11 Sec. 7. Section 21-514, Revised Statutes Cumulative Supplement,
12 2018, is amended to read:

13 21-514 (a) In the biennial report required by section 21-125, a
14 series limited liability company shall include the name of each protected
15 series of the company:

16 (1) for which the company has previously delivered to the Secretary
17 of State for filing a protected-series designation; and

18 (2) which has not dissolved and completed winding up.

19 (b) A failure by a series limited liability company to comply with
20 subsection (a) of this section with regard to a protected series prevents
21 issuance of a certificate of existence ~~good standing~~ pertaining to the
22 protected series but does not otherwise affect the protected series.

23 Sec. 8. Section 21-517, Revised Statutes Cumulative Supplement,
24 2018, is amended to read:

25 21-517 (a) A protected-series transferable interest of a protected
26 series of a series limited liability company must be owned initially by
27 an associated member of the protected series or the company.

28 (b) If a protected series of a series limited liability company has
29 no associated members when established, the company owns the protected-
30 series transferable interests in the protected series.

31 (c) In addition to acquiring a protected-series ~~protected-series~~

1 transferable ~~series~~ interest under subsection (b) of this section, a
2 series limited liability company may acquire a protected-series series
3 transferable interest through a transfer from another person or as
4 provided in the operating agreement.

5 (d) Except for subdivision (a)(3) of section 21-508, a provision of
6 the Nebraska Uniform Protected Series Act which applies to a protected-
7 series transferee of a protected series of a series limited liability
8 company applies to the company in its capacity as an owner of a
9 protected-series transferable interest of the protected series. A
10 provision of the operating agreement of a series limited liability
11 company which applies to a protected-series transferee of a protected
12 series of the company applies to the company in its capacity as an owner
13 of a protected-series transferable interest of the protected series.

14 Sec. 9. Section 21-520, Revised Statutes Cumulative Supplement,
15 2018, is amended to read:

16 21-520 (a) A person is not liable, directly or indirectly, by way of
17 contribution or otherwise, for a debt, obligation, or other liability of:

18 (1) a protected series of a series limited liability company solely
19 by reason of being or acting as:

20 (A) an associated member, protected-series series manager, or
21 protected-series transferee of the protected series; or

22 (B) a member, manager, or a transferee of the company; or

23 (2) a series limited liability company solely by reason of being or
24 acting as an associated member, protected-series manager, or protected-
25 series transferee of a protected series of the company.

26 (b) Subject to section 21-523, the following rules apply:

27 (1) A debt, obligation, or other liability of a series limited
28 liability company is solely the debt, obligation, or liability of the
29 company.

30 (2) A debt, obligation, or other liability of a protected series is
31 solely the debt, obligation, or liability of the protected series.

1 (3) A series limited liability company is not liable, directly or
2 indirectly, by way of contribution or otherwise, for a debt, obligation,
3 or other liability of a protected series of the company solely by reason
4 of the protected series being a protected series of the company or the
5 company:

6 (A) being or acting as a protected-series manager of the protected
7 series;

8 (B) having the protected series manage the company; or

9 (C) owning a protected-series transferable interest of the protected
10 series.

11 (4) A protected series of a series limited liability company is not
12 liable, directly or indirectly, by way of contribution or otherwise, for
13 a debt, obligation, or other liability of the company or another
14 protected series of the company solely by reason of:

15 (A) being a protected series of the company;

16 (B) being or acting as a manager of the company or a protected-
17 series manager of another protected series of the company; or

18 (C) having the company or another protected series of the company be
19 or act as a protected-series manager of the protected series.

20 Sec. 10. Section 21-521, Revised Statutes Cumulative Supplement,
21 2018, is amended to read:

22 21-521 (a) Except as otherwise provided in subsection (b) of this
23 section, a claim seeking to disregard a limitation in section 21-520 is
24 governed by the principles of law and equity, including a principle
25 providing a right to a creditor or holding a person liable for a debt,
26 obligation, or other liability of another person, which would apply if
27 each protected series of a series limited liability company were a
28 limited liability company formed separately from the series limited
29 liability company and distinct from the series limited liability company
30 and any other protected series of the series limited liability company.

31 (b) The failure of a limited liability company or a protected series

1 to observe formalities relating to the exercise of its powers or
2 management of its activities and affairs is not a ground to disregard a
3 limitation in subsection (a) of section 21-520 but may be a ground to
4 disregard a limitation in subsection (b) of section 21-520.

5 (c) This section applies to a claim seeking to disregard a
6 limitation of liability applicable to a foreign series limited liability
7 company or foreign protected series and comparable to a limitation stated
8 in section 21-520, if:

9 (1) the claimant is a resident of this state or doing business or
10 authorized ~~registered~~ to do business in this state; or

11 (2) the claim is to establish or enforce a liability arising under
12 law of this state other than the Nebraska Uniform Protected Series Act or
13 from an act or omission in this state.

14 Sec. 11. Section 21-522, Revised Statutes Cumulative Supplement,
15 2018, is amended to read:

16 21-522 Section 21-142 applies ~~Sections 21-140 to 21-143 apply~~ to a
17 judgment creditor of:

18 (1) an associated member or protected-series transferee of a
19 protected series; or

20 (2) a series limited liability company, to the extent the company
21 owns a protected-series transferable interest of a protected series.

22 Sec. 12. Section 21-523, Revised Statutes Cumulative Supplement,
23 2018, is amended to read:

24 21-523 (a) In this section:

25 (1) Enforcement date means 12:01 a.m. on the date on which a
26 claimant first serves process on a series limited liability company or
27 protected series in an action seeking to enforce under this section a
28 claim against an asset of the company or protected series by attachment,
29 levy, or the like.

30 (2) Subject to subsection (b) of section 21-534, incurrence date
31 means the date on which a series limited liability company or protected

1 series incurred the liability giving rise to a claim that a claimant
2 seeks to enforce under this section.

3 (b) If a claim against a series limited liability company or a
4 protected series of the company has been reduced to judgment, in addition
5 to any other remedy provided by law or equity, the judgment may be
6 enforced in accordance with the following rules:

7 (1) A judgment against the company may be enforced against an asset
8 of a protected series of the company if the asset:

9 (A) was a nonassociated asset of the protected series on the
10 incurrence date; or

11 (B) is a nonassociated asset of the protected series on the
12 enforcement date.

13 (2) A judgment against a protected series may be enforced against an
14 asset of the company if the asset:

15 (A) was a nonassociated asset of the company on the incurrence date;
16 or

17 (B) is a nonassociated asset of the company on the enforcement date.

18 (3) A judgment against a protected series may be enforced against an
19 asset of another protected series of the company if the asset:

20 (A) was a nonassociated asset of the other protected series on the
21 incurrence date; or

22 (B) is a nonassociated asset of the other protected series on the
23 enforcement date.

24 (c) In addition to any other remedy provided by law or equity, if a
25 claim against a series limited liability company or a protected series
26 has not been reduced to a judgment and law other than the Nebraska
27 Uniform Protected Series Act permits a prejudgment remedy by attachment,
28 levy, or the like, the court may apply subsection (b) of this section as
29 a prejudgment remedy.

30 (d) In a proceeding under this section, the party asserting that an
31 asset is or was an associated asset of a series limited liability company

1 or a protected series of the company has the burden of proof on the
2 issue.

3 (e) This section applies to an asset of a foreign series limited
4 liability company or foreign protected series if:

5 (1) the asset is real or tangible property located in this state;

6 (2) the claimant is a resident of this state or doing business or
7 authorized ~~registered~~ to do business in this state, or the claim under
8 this section is to enforce a judgment, or to seek a prejudgment remedy,
9 pertaining to a liability arising from law of this state other than the
10 Nebraska Uniform Protected Series Act or an act or omission in this
11 state; and

12 (3) the asset is not identified in the records of the foreign series
13 limited liability company or foreign protected series in a manner
14 comparable to the manner required by section 21-515.

15 Sec. 13. Section 21-525, Revised Statutes Cumulative Supplement,
16 2018, is amended to read:

17 21-525 (a) Subject to subsections (b) and (c) of this section and in
18 accordance with section 21-508:

19 (1) a dissolved protected series shall wind up its activities and
20 affairs in the same manner that a limited liability company winds up its
21 activities and affairs under sections 21-147 to 21-154, subject to the
22 same requirements and conditions and with the same effects; and

23 (2) judicial supervision or another judicial remedy is available in
24 the winding up of the protected series to the same extent, in the same
25 manner, under the same conditions, and with the same effects that apply
26 under subsection (e) of section 21-148.

27 (b) When a protected series of a series limited liability company
28 dissolves, the company shall ~~may~~ deliver to the Secretary of State for
29 filing a statement of protected-series dissolution stating the name of
30 the company and the protected series and that the protected series is
31 dissolved. The filing of the statement by the Secretary of State has the

1 same effect as the filing by the Secretary of State of a statement of
2 dissolution under subdivision (d)(2)(A) of section 21-103.

3 (c) When a protected series of a series limited liability company
4 has completed winding up, the company may deliver to the Secretary of
5 State for filing a statement of designation cancellation stating the name
6 of the company and the protected series and that the protected series is
7 terminated. The filing of the statement by the Secretary of State has the
8 same effect as the filing by the Secretary of State of a statement of
9 termination under subdivision (d)(2)(B) of section 21-103.

10 (d) A series limited liability company has not completed its winding
11 up until each of the protected series of the company has completed its
12 winding up.

13 Sec. 14. Section 21-526, Revised Statutes Cumulative Supplement,
14 2018, is amended to read:

15 21-526 If a series limited liability company that has been
16 administratively dissolved is reinstated, or a series limited liability
17 company that voluntarily dissolved rescinds its dissolution:

- 18 (1) each protected series of the company ceases winding up; and
19 (2) section 21-152 applies ~~sections 21-152 and 21-153 apply~~ to each
20 protected series of the company in accordance with section 21-508.

21 Sec. 15. Section 21-528, Revised Statutes Cumulative Supplement,
22 2018, is amended to read:

23 21-528 A protected series may not:

- 24 (1) be an acquiring, acquired, converting, converted, merging, or
25 surviving organization entity;
26 (2) participate in a domestication; or
27 (3) be a party to or be formed, organized, established, or created
28 in a transaction substantially like a merger, interest exchange,
29 conversion, or domestication.

30 Sec. 16. Section 21-529, Revised Statutes Cumulative Supplement,
31 2018, is amended to read:

1 21-529 A series limited liability company may not be:

2 (1) an acquiring, acquired, converting, converted, domesticating, or
3 domesticated organization ~~entity~~; or

4 (2) except as otherwise provided in section 21-530, a party to or
5 the surviving company of a merger.

6 Sec. 17. Section 21-532, Revised Statutes Cumulative Supplement,
7 2018, is amended to read:

8 21-532 In a merger under section 21-530, the articles ~~statement~~ of
9 merger must:

10 (1) comply with sections 21-171 to 21-174; and

11 (2) include as an attachment the following records, each to become
12 effective when the merger becomes effective:

13 (A) for a protected series of a merging company being terminated as
14 a result of the merger, a statement of termination signed by the company;

15 (B) for a protected series of a nonsurviving company which after the
16 merger will be a relocated protected series:

17 (i) a statement of relocation signed by the nonsurviving company
18 which contains the name of the company and the name of the protected
19 series before and after the merger; and

20 (ii) a statement of protected-series designation signed by the
21 surviving company; and

22 (C) for a protected series being established by the surviving
23 company as a result of the merger, a statement of designation signed by
24 the company.

25 Sec. 18. Section 21-534, Revised Statutes Cumulative Supplement,
26 2018, is amended to read:

27 21-534 (a) A creditor's right that existed under section 21-523
28 immediately before a merger under section 21-530 may be enforced after
29 the merger in accordance with the following rules:

30 (1) A creditor's right that existed immediately before the merger
31 against the surviving company, a continuing protected series, or a

1 relocated protected series continues without change after the merger.

2 (2) A creditor's right that existed immediately before the merger
3 against a nonsurviving company:

4 (A) may be asserted against an asset of the nonsurviving company
5 which vested in the surviving company as a result of the merger; and

6 (B) does not otherwise change.

7 (3) Subject to subsection (b) of this section, the following rules
8 apply:

9 (A) In addition to the remedy stated in subdivision (a)(1) of this
10 section, a creditor with a right under section 21-523 which existed
11 immediately before the merger against a nonsurviving company or a
12 relocated protected series may assert the right against:

13 (i) an asset of the surviving company, other than an asset of the
14 nonsurviving company which vested in the surviving company as a result of
15 the merger;

16 (ii) an asset of a continuing protected series; or

17 (iii) an asset of a protected series established by the surviving
18 company as a result of the merger;

19 (iv) if the creditor's right was against an asset of the
20 nonsurviving company, an asset of a relocated series; or

21 (v) if the creditor's right was against an asset of a relocated
22 protected series, an asset of another relocated protected series.

23 (B) In addition to the remedy stated in subdivision (a)(2) of this
24 section, a creditor with a right that existed immediately before the
25 merger against the surviving company or a continuing protected series may
26 assert the right against:

27 (i) an asset of a relocated protected series; or

28 (ii) an asset of a nonsurviving company which vested in the
29 surviving company as a result of the merger.

30 (b) For the purposes of subdivision (a)(3) of this section and
31 subdivisions (b)(1)(A), (b)(2)(A), and (b)(3)(A) of section 21-523, the

1 incurrence date is deemed to be the date on which the merger becomes
2 effective.

3 (c) A merger under section 21-530 does not affect the manner in
4 which section 21-523 applies to a liability incurred after the merger.

5 Sec. 19. Section 21-537, Revised Statutes Cumulative Supplement,
6 2018, is amended to read:

7 21-537 (a) Except as otherwise provided in this section and subject
8 to sections 21-521 and 21-523, the law of this state governing the
9 authorization ~~registration~~ of a foreign limited liability company to do
10 business in this state, including the consequences of not complying with
11 that law, applies to a foreign protected series of a foreign series
12 limited liability company as if the foreign protected series were a
13 foreign limited liability company formed separately from the foreign
14 series limited liability company and distinct from the foreign series
15 limited liability company and any other foreign protected series of the
16 foreign series limited liability company.

17 (b) An application by a foreign protected series of a foreign series
18 limited liability company for a certificate of authority ~~registration~~ to
19 do business in this state must include:

20 (1) the name and jurisdiction of formation of the foreign series
21 limited liability company along with a certificate of existence or
22 equivalent for the foreign protected series issued in its jurisdiction of
23 formation, except that if the jurisdiction of formation of the foreign
24 series limited liability company does not provide for issuance of a
25 certificate of existence or equivalent for a foreign protected series,
26 the application must include a certificate of existence or equivalent for
27 the foreign series limited liability company and in that case the foreign
28 protected series is deemed to be in existence as long as the foreign
29 series limited liability company is in existence or good standing in its
30 jurisdiction of formation; and

31 (2) if the company has other foreign protected series, the name and

1 street and mailing address of an individual who knows the name and street
2 and mailing address of:

3 (A) each other foreign protected series of the foreign series
4 limited liability company; and

5 (B) the foreign protected-series manager of and agent for service of
6 process for each other foreign protected series of the foreign series
7 limited liability company.

8 (c) The name of a foreign protected series applying for a
9 certificate of authority registration or registered to do business in
10 this state must comply with section 21-108 and subsection (b) of section
11 21-510 and may do so using subsection (d) subdivision (b)(2) of section
12 21-108, if the fictitious name complies with section 21-108 and
13 subsection (b) of section 21-510.

14 (d) A foreign protected series that has been issued a certificate of
15 authority to do business in this state pursuant to this section shall
16 file an amendment to its application if there is any change in the
17 information required by subsection (b) of this section ~~The requirement in~~
18 ~~subdivision (a)(5) and subsection (c) of section 21-114, subsection (e)~~
19 ~~of section 21-118, section 21-122, subsection (d) of section 21-125, and~~
20 ~~section 21-173 to amend a statement of registration to update information~~
21 ~~applies to the information required by subsection (b) of this section.~~

22 Sec. 20. Section 21-539, Revised Statutes Cumulative Supplement,
23 2018, is amended to read:

24 21-539 In applying and construing the Nebraska Uniform Protected
25 Series Act, consideration must be given to the need to promote uniformity
26 of the law with respect to its subject matter among states that enact the
27 Uniform Protected Series Act ~~it~~.

28 Sec. 21. Sections 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15,
29 16, 17, 18, 19, 20, 23, and 24 of this act become operative on January 1,
30 2021. The other sections of this act become operative on their effective
31 date.

1 Sec. 22. Original section 21-147, Reissue Revised Statutes of
2 Nebraska, is repealed.

3 Sec. 23. Original sections 21-192, 21-507, 21-509, 21-510, 21-513,
4 21-514, 21-517, 21-520, 21-521, 21-522, 21-523, 21-525, 21-526, 21-528,
5 21-529, 21-532, 21-534, 21-537, and 21-539, Revised Statutes Cumulative
6 Supplement, 2018, are repealed.

7 Sec. 24. The following section is outright repealed: Section
8 21-541, Revised Statutes Cumulative Supplement, 2018.